

☐ Individual appearing without attorney
☒ Attorney for: Jason M. Rund, Chapter 7 Trustee

NOTICE OF SALE OF ESTATE PROPERTY

Location: Courtroom 1668, United States Bankruptcy Court, 255 E. Temple St., Los Angeles, CA 90012

Last date to file objections: 01/30/2018

Overbid procedure (if any): See Exhibit 2 attached hereto.

If property is to be sold free and clear of liens or other interests, list date, time and location of hearing:

Sale Hearing

Date: February 13, 2018

Time: 10:00 a.m.

Place: 1668

United States Bankruptcy Court

255 E. Temple Street

Los Angeles, CA 90012

Contact person for potential bidders (include name, address, telephone, fax and/or email address):

C. JOHN M. MELISSINOS

Greenberg Glusker Fields Claman & Machtinger LLP

1900 Avenue of the Stars, 21st Floor

Los Angeles, California 90067-4590

Telephone: 310.553.3610

Fax: 310.553.0687

Email: JMelissinos@GreenbergGlusker.com

Date: 01/22/2018

Exhibit 1

DESCRIPTION OF ASSETS TO BE SOLD

The following seven (7) vehicles:

TYPE	MAKE	YEAR	PLATE	VIN
4D	FORD	2016	7SNZ804	3FADP4BJ9GM165083
SD	HYUNDAI	2016	7NIZ491	KMHCT4AE4GU948177
4D	TOYOTA	2017	7XQU584	3MYDLBYV9HY157324
SD	HONDA	2016	7RXL256	2HGFC2F56GH559401
SD	FORD	2016	7NKY729	3FA6P0G77GR215321
4D	TOYOTA	2016	7NZA819	4T4BF1FK2GR530108
4D	FORD	2016	7NKY458	3FADP4BJ2GM108014

Exhibit 2

PROPOSED OVERBID PROCEDURES

1. Anyone interested in submitting an overbid with respect to the purchase of the assets to be sold must attend the hearing on the motion or be represented by an individual at the hearing (either in person or telephonically) with authority to participate in the overbid process.
2. Any potential over-bidders must: (a) provide a deposit of at least \$39,200.00 (the "Purchase Price") in good funds at or before the date of the hearing on the motion; (b) provide evidence of their financial qualification to the chapter 7 trustee herein, satisfactory in his sole discretion, at or before the date of the hearing on the motion; (c) execute an affirmation that they agree to be bound by the terms of the Purchase Agreement, attached hereto as Exhibit 3; (d) make an initial overbid of at least \$3,000.00 greater than the Purchase Price; (e) agree that their deposit shall be forfeited if they are the winning bidder but fail to close the sale; and (f) agree that buyer, Houshang Azad, or any other over-bidder can serve as a back-up bidder if they so choose to.
3. If there are any qualified overbidders, an auction of the assets to be sold shall be held during the hearing on the motion (on **February 13, 2018 at 10:00 a.m.**) at which time the Court shall determine the highest and best bid for the assets.

Exhibit 3

PURCHASE AGREEMENT

[See Attached]

PURCHASE AND SALE AGREEMENT

This Purchase and Sale Agreement (this “Agreement”) is entered into as of December 15, 2017 by and between Houshang Azad, an individual (“Buyer”) and Jason M. Rund, solely in his capacity as Chapter 7 Trustee of the bankruptcy estate of Richard Tigran Kayseryan (“Seller” or the “Trustee”) (collectively, the “Parties” and each, a “Party”), and is made with respect to the following facts:

RECITALS

- A. On July 28, 2017 (the “Petition Date”), Debtor Richard Tigran Kayseryan (“Kayseryan”) filed a voluntary Petition under chapter 11 of title 11 of the United States Code, 11 U.S.C. §§ 101 et seq. (the “Bankruptcy Code”) commencing the bankruptcy case *In re Richard Tigran Kayseryan*, Case No. 2:17-bk-19235-BR (the “Bankruptcy Case”) pending in the United States Bankruptcy Court for the Central District of California, the Honorable Barry Russell, United States Bankruptcy Judge, presiding (the “Bankruptcy Court”).
- B. On September 28, 2017, the Bankruptcy Court entered an order [Bankruptcy Case Docket No. 80] (the “Conversion Order”) converting the Bankruptcy Case to a case under chapter 7 Bankruptcy Code. The Conversion Order further provides that the “chapter 7 trustee is authorized and directed to immediately take control of all entities owned by the Debtor and his wife, Verjine Yesaian, including, but not limited to . . . Kay-Car Rentals, Inc.”
- C. Following entry of the Conversion Order, on September 29, 2017, Seller was duly appointed the chapter 7 trustee of Kayseryan’s bankruptcy estate [Bankruptcy Case Docket No. 82].
- D. Prior to the Petition Date, Kayseryan owned, as community property, a 100% shareholder interest in Kay-Car Rentals, Inc., a California corporation (“Kay-Car”). Therefore, Kayseryan’s ownership interest in Kay-Car became property of the bankruptcy estate on the Petition Date pursuant to section 541 of the Bankruptcy Code.
- E. Buyer wishes to purchase, and Seller has agreed to cause Kay-Car to sell certain vehicles which Kay-Car holds title, subject to the approval of the Bankruptcy Court and the requirements for such a sale under the Bankruptcy Code.

AGREEMENT

NOW, THEREFORE, in consideration of the foregoing recitals, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged by the Parties, and subject to the approval of the Bankruptcy Court after notice to creditors and parties-in-interest in the Bankruptcy Case, the Parties hereby agree as follows:

1. **Incorporation of Recitals.** The recitals set forth above are incorporated herein as though fully set forth in this Agreement.
2. **Sale of Vehicles.** Subject to the terms of this Agreement, Seller agrees to cause Kay-Car to sell, assign, and transfer all of Seller’s right, title and interest in the seven (7) vehicles described in the attached **Exhibit A** (collectively, the “Vehicles”), and Buyer agrees to accept the Vehicles

and to assume all obligations, if any, relating thereto, including paying any outstanding title, registration or other charges necessary to cause transfer of title of each of the Vehicles.

3. **Purchase Price.** In consideration for the Vehicles, Buyer shall pay to Seller on behalf of Kay-Car the amount of thirty nine thousand two hundred dollars (\$39,200.00) (the "Purchase Price") which amount the Parties agree constitutes the purchase price of the Vehicles. The Purchase Price shall be payable in full, less the Deposit (as defined in Paragraph 5 of this Agreement), at Closing (as defined in Paragraph 8 of this Agreement).
4. **Sale As Is, Where Is.** The Vehicles to be sold hereunder shall be sold "as is, where is" without any representations of warranty of any kind, including, but not limited to, any warranty of fitness or warranty for a particular purpose, and Buyer shall rely exclusively on its own investigation to determine that the Vehicles suit Buyer's needs. Because the Vehicles are titled in the name of Kay-Car and Kay-Car is not a debtor in a bankruptcy case, the sale of the Vehicles will not be free and clear of liens in accordance with section 363(f) of the Bankruptcy Code.
5. **Deposit.** Concurrent with the execution of this Agreement, Buyer shall pay to Seller a deposit of \$5,000.00 (the "Deposit") refundable in accordance with the terms of this Agreement.
6. **Bankruptcy Court Approval.** The Parties acknowledge that Agreement is in all respects subject to (i) the provisions of the Bankruptcy Code, (ii) the overbid procedures contained in Paragraph 7 of this Agreement and (iii) the approval of the Bankruptcy Court after notice to creditors in the Bankruptcy Case.
7. **Sale Procedures/ Overbidding.** Buyer acknowledges that the sale of the Vehicles shall be subject to overbid in accordance with the following bidding procedures: any potential over-bidders must: (a) provide a deposit (in good funds) of at least the Purchase Price at or before the date of the hearing on the motion to approve the sale; (b) provide evidence of their financial qualification to the Trustee, satisfactory in the Trustee's sole discretion at or before the date of the hearing on the motion to approve the sale; (c) execute an affirmation that they agree to be bound by the terms of this Agreement; (d) make an initial overbid of at least \$3,000.00 greater than the Purchase Price; (e) agree that their deposit shall be forfeited if they are the winning bidder but fail to close the sale; and (f) agree that Buyer or any other over-bidder can be a back-up bidder if Buyer or such over-bidder chooses. If, following the overbid process, Buyer holds the winning bid but fails to close the sale, the Deposit shall become nonrefundable. If, following the overbid process, Buyer does not hold the winning bid, Seller shall return the Deposit to Buyer within five (5) business days from entry of order approving the sale.
8. **Closing.** The closing of the transaction contemplated in this Agreement (the "Closing") shall occur no later than five (5) business days after the first business day that an order approving the sale of the Vehicles has been entered by the Bankruptcy Court in the Bankruptcy Case.
9. **Deliveries at Closing.** At the Closing:
 - a. Seller shall cause Kay-Car to deliver to Buyer (i) duly executed certificates of title and all related documentation required of the California Department of Motor Vehicles to effectuate transfer of each of the Vehicles, identifying Buyer as the purchaser of the

Vehicles; and (ii) such other documents and instruments as may be reasonably required to consummate the purchase and sale of the Vehicles; and

b. Buyer shall deliver to Seller (i) the Purchase Price, less the Deposit; and (ii) such other documents and instruments as may be reasonably required to consummate the purchase and sale of the Vehicles.

10. Miscellaneous.

a. Captions and Headings. The captions and headings in this Agreement are for convenience of reference only and shall not limit or otherwise affect the meaning hereof.

b. Binding Nature. This Agreement shall inure to the benefit of, and be binding upon, the Parties, their representatives, agents, successors and assigns.

c. Time of Essence. Except as otherwise provided herein, time is of the essence with respect to all provisions of this Agreement in which a definite time for performance is specified; provided, however, that the foregoing shall not be construed to limit or deprive a Party of the benefit of any grace period provided for in this Agreement.

d. Entire Agreement. This Agreement constitutes the entire agreement and understanding between the Parties and supersedes all prior agreements and understandings, written or oral, between the Parties relating to the subject matter hereof.

e. Waiver. No delay on the part of any Party hereto in exercising any right, power or privilege hereunder shall operate as a waiver thereof, nor shall any waiver on the part of any Party hereto of any right, power or privilege hereunder operate as a waiver of any other right, power or privilege hereunder, nor shall any single or partial exercise of any right, power or privilege hereunder preclude any other or further exercise thereof or the exercise of any other right, power or privilege hereunder.

f. Amendments. Neither this Agreement nor any term hereof may be changed, waived, discharged or terminated orally or in writing, except that any term of this Agreement may be amended by a writing signed by the Parties, and the observance of any such term may be waived (either generally or in a particular instance and either retroactively or prospectively) by a writing signed by the Party against whom such waiver is to be asserted.

g. Attorneys' Fees.

(i) Each Party shall bear his or her own costs and expenses arising out of the negotiation, execution, delivery, and performance of this Agreement and the consummation of all transactions contemplated hereby.

(ii) Should any Party hereto institute any action or proceeding to enforce any provision hereof or for damages by reason of any alleged breach of any provision of this Agreement, such action shall be brought in the United States Bankruptcy Court having jurisdiction over the Bankruptcy Case, and the Parties hereto expressly

consent to the jurisdiction of the Bankruptcy Court with respect to any such action. The prevailing Party shall be entitled to receive such amount as the Bankruptcy Court may judge to be reasonable attorneys' fees and costs for the services rendered to the prevailing Party in such action or proceeding.

h. Governing Law. This Agreement shall be governed and construed in accordance with the laws of the State of California, without regard to choice of law provisions.

i. Severability. If any provision of this Agreement is held to be illegal or invalid by a court of competent jurisdiction such provision shall be considered severed and deleted. Neither such provision, nor its severance and deletion, shall affect the validity of the remaining provisions of this Agreement.


j. Counterparts. This Agreement may be executed in counterparts, and a signed copy shall have the full force and effect of a signature on any original. A copy, PDF, or facsimile copy of the fully executed Agreement shall have the full force and effect of the original executed Agreement.

[signature page follows]

IN WITNESS WHEREOF, the Parties hereto have caused this Agreement to be executed on the date first written above.

SELLER:

BUYER:



JASON M. RUND, Solely in His Capacity
as Chapter 7 Trustee of the Bankruptcy
Estate of Richard Tigran Kayseryan

HOUSHANG AZAD

Exhibit A

The Vehicles

TYPE	MAKE	YEAR	PLATE	VIN
4D	FORD	2016	7SNZ804	3FADP4BJ9GM165083 ✓
SD	HYUNDAI	2016	7NIZ491	KMHCT4AE4GU948177 ✓
4D	TOYOTA	2017	7XQU584	3MYDLBYV9HY157324 ✓
SD	HONDA	2016	7RXL256	2HGFC2F56GH559401 ✓
SD	FORD	2016	7NKY729	3FA6P0G77GR215321 ✓
4D	TOYOTA	2016	7NZA819	4T4BF1FK2GR530108 ✓
4D	FORD	2016	7NKY458	3FADP4BJ2GM108014 ✓

PROOF OF SERVICE OF DOCUMENT

I am over the age of 18 and not a party to this bankruptcy case or adversary proceeding. My business address is:
1900 Avenue of the Stars, 21st Fl., Los Angeles, CA 90067

A true and correct copy of the foregoing document entitled: **NOTICE OF SALE OF ESTATE PROPERTY** will be served or was served **(a)** on the judge in chambers in the form and manner required by LBR 5005-2(d); and **(b)** in the manner stated below:

1. TO BE SERVED BY THE COURT VIA NOTICE OF ELECTRONIC FILING (NEF): Pursuant to controlling General Orders and LBR, the foregoing document will be served by the court via NEF and hyperlink to the document. On *(date)* 01/22/2018, I checked the CM/ECF docket for this bankruptcy case or adversary proceeding and determined that the following persons are on the Electronic Mail Notice List to receive NEF transmission at the email addresses stated below:

☒ Service information continued on attached page

2. SERVED BY UNITED STATES MAIL:

On *(date)* 01/22/2018, I served the following persons and/or entities at the last known addresses in this bankruptcy case or adversary proceeding by placing a true and correct copy thereof in a sealed envelope in the United States mail, first class, postage prepaid, and addressed as follows. Listing the judge here constitutes a declaration that mailing to the judge will be completed no later than 24 hours after the document is filed.

☒ Service information continued on attached page

3. SERVED BY PERSONAL DELIVERY, OVERNIGHT MAIL, FACSIMILE TRANSMISSION OR EMAIL (state method for each person or entity served): Pursuant to F.R.Civ.P. 5 and/or controlling LBR, on *(date)* 01/22/2018, I served the following persons and/or entities by personal delivery, overnight mail service, or (for those who consented in writing to such service method), by facsimile transmission and/or email as follows. Listing the judge here constitutes a declaration that personal delivery on, or overnight mail to, the judge will be completed no later than 24 hours after the document is filed.

Via Messenger

The Honorable Barry Russell
United States Bankruptcy Court
Central District of California
Edward R. Roybal Federal Building and Courthouse
255 E. Temple Street, Ste.1660
Los Angeles, CA 90012

☐ Service information continued on attached page

I declare under penalty of perjury under the laws of the United States that the foregoing is true and correct.

01/22/2018

Julie King

Date

Printed Name

/s/ Julie King

Signature

1. TO BE SERVED BY THE COURT VIA NOTICE OF ELECTRONIC FILING (NEF):

- Keith Patrick Banner kbanner@greenbergglusker.com, sharper@greenbergglusker.com
- Michael Jay Berger michael.berger@bankruptcypower.com, yathida.nipha@bankruptcypower.com; michael.berger@ecf.inforuptcy.com
- Steven Casselberry s.casselberry@mpglaw.com, j.jacobs@mpglaw.com
- Natalie B. Dagbandan natalie.dagbandan@bryancave.com, raul.morales@bryancave.com; theresa.macaulay@bryancave.com
- Joseph R Dunn jrdunn@mintz.com, docketing@mintz.com; tlmayo@mintz.com
- Brandye N Foreman cdcaecf@bdfgroup.com
- Ron Maroko ron.maroko@usdoj.gov
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- Hal M Mersel mark.mersel@bryancave.com, ginny.hamel@bryancave.com
- Abigail V O'Brient avobrient@mintz.com, docketing@mintz.com; DEHashimoto@mintz.com
- Jason M Rund (TR) trustee@srlawyers.com, jrund@ecf.epiqsystems.com
- Valerie Smith claims@recoverycorp.com
- Edward A Treder cdcaecf@bdfgroup.com
- United States Trustee (LA) ustpreion16.la.ecf@usdoj.gov
- Jennifer H Wang jwang@cookseylaw.com, jwang@ecf.courtdrive.com

2. SERVED BY UNITED STATES MAIL:

Debtor

Richard Tigran Kayseryan
604 S. Sunset Canyon Dr
Burbank, CA 91501

Debtor's Atty

Michael Jay Berger
9454 Wilshire Blvd 6th Fl
Beverly Hills, CA 90212

Chapter 7 Trustee

Jason M. Rund, Trustee
Sheridan & Rund
840 Apollo Street, Ste. 351
El Segundo, CA 90245

U.S. Trustee

Office of the United States
Trustee
915 Wilshire Blvd. Ste. 1850
Los Angeles, CA 90017

Trimed Receiver

Douglas Wilson, Receiver
c/o John Morrell
Douglas Wilson Companies
1620 Fifth Avenue Ste. 400
San Diego, CA 92101

Brian Cave LLP

H. Mark Mersel
3161 Michelson Drive, Ste 1500
Irvine, CA 92612

TCJ I, LLC

The Credit Junction Holdings, Inc.
Attn: Michael Finkelstein
132 West 31st St., Ste. 1301
New York, NY 10001

Kay-Car Rentals

Verjine Yesaian
604 Sunset Canyon Dr.
Burbank, CA 91501

Buyer

Houshang Azad
1638 S. La Cienega Blvd.
Los Angeles, CA 90035